

SENATE JOURNAL

Forty-third Legislature—Fourth Called Session

FIRST DAY.

Senate Chamber,
Austin, Texas,

Friday, October 12, 1934.

The Senate met at 12 o'clock noon, pursuant to the call of the Governor, and was called to order by Lieutenant Governor Edgar E. Witt.

Temporary Officers Announced.

The Chair announced the appointment of the following temporary officers:

Secretary: Bob Barker.

Sergeant-at-Arms: A. W. Holt.

Doorkeeper: W. J. J. Terrell.

Calendar Clerk: Mrs Martha Turner.

Journal Clerk: Mrs. Mary Rugeley.

Chaplain: Rev. W. H. Doss.

Roll Call.

The roll disclosed a quorum, the following Senators being present:

Beck.	Parr.
Blackert.	Patton.
Collie.	Poage.
Cousins.	Purl.
DeBerry.	Rawlings.
Duggan.	Redditt.
Holbrook.	Sanderford.
Hopkins.	Stone.
Hornsby.	Woodruff.
Martin.	Woodul.
Moore.	Woodward.
Oneal.	

Absent—Excused.

Fellbaum.	Pace.
Greer.	Regan.
Murphy.	Small.
Neal.	

Senators Excused.

Senator Murphy was excused on account of important business on motion of Senator Hornsby.

Senator Neal was excused for the day on motion of Senator Beck.

Senator Regan was excused on account of important business on motion of Senator Stone.

Senator Fellbaum was excused on account of illness.

Senator Greer was excused on account of important business.

Senator Pace was excused on account of important business.

Senator Small was excused on account of important business.

Proclamation by the Governor.

Proclamation
by the

Governor of the State of Texas

To All to Whom These Presents Shall Come:

I, Miriam A. Ferguson, Governor of the State of Texas, do by virtue of authority vested in me by the Constitution of this State, hereby call a special session of the Forty-third Legislature to be convened in the City of Austin at twelve o'clock noon on Friday, the twelfth day of October, A. D. 1934, for the consideration of the following matters:

1. Remission of penalty and interest on delinquent taxes.
2. Authority for completion of what is known as the Buchanan Dam or Dams on the Colorado River as now proposed, and necessary funds therefor.
3. Authority for the Brazos River project for construction of dams to impound and conserve the waters thereof and the reclamation of overflowed lands, on said Brazos River and its tributaries, and necessary funds therefor.
4. The Texas Centennial and the provision for adequate funds therefor.
5. For additional and necessary relief for indigent and unemployed people of Texas as is now required.
6. To consider and act on such other subjects and questions as I as Governor may from time to time during said called session submit by message or otherwise to the Legislature.

The Secretary of State will hereby take notice of this action and notify

the members of the Legislature at once.

Done at Austin, Texas, this the eighth day of October, A. D., 1934, under the seal of the State properly attested by the Secretary of State.

MIRIAM A. FERGUSON,

(Seal) Governor of Texas.

Attest:

W. W. Heath,
Secretary of State.

Committee From the House.

The Chair recognized the Doorkeeper, who introduced a Committee from the House, who informed the Senate that the House was organized and ready for business.

Senate Resolution No. 1.

Caucus Report.

Senator Redditt sent up the following resolution:

Austin, Texas, Oct. 12, 1934.

Hon. Edgar E. Witt, Lieutenant Governor,
Senate Chamber,
Austin, Texas.

Sir: At a caucus held in the office of the Senate, attended by 23 members of the Senate, the following recommendations were made, to-wit:

The following officers were elected to serve for the ensuing Fourth Called Session of the Forty-third Legislature and at the salaries set opposite their names:

Secretary of the Senate: Bob Barker, \$10.00 per day.

Sergeant-at-Arms: A. W. Holt, \$6.00 per day.

Doorkeeper: W. J. J. Terrell, \$5.00 per day.

Chaplain: W. H. Doss, \$5.00 per day.

Journal Clerk: Mrs. Mary Rugeley, \$6.00 per day.

Assistant Journal Clerk: Melford S. Dickerson, \$5.00 per day.

Calendar Clerk: Mrs. Martha Turner, \$6.00 per day.

Assistant Calendar Clerk: Gilbert Adams, \$5.00 per day.

Engrossing and Enrolling Clerk: Miss Essie McGinnis, \$6.00 per day.

Postmistress: Mrs. Lola Lawrence, \$5.00 per day.

Mailing Clerk: Mrs. Josephine Butler, \$6.00 per day.

Librarian: Miss Theodosia Bell, \$5.00 per day.

It is recommended that each Senator, Lieutenant Governor and the Secretary of the Senate, be permitted to name one secretary, and such employee shall act as clerk of the com-

mittee of which the Senator naming such employee shall be the chairman thereof, such employee to receive \$5.00 per day.

It is further recommended that each Senator, the Lieutenant Governor and the Secretary of the Senate be permitted to name one employee of the Senate in addition to their private secretary; that the names of such employees be referred to a committee of five Senators by the chairman of the caucus, said committee to be authorized to select from said employees all employees in the Engrossing and Enrolling Room and other departments of the Senate and to assign said employees to their proper places of employment; said employees so named by the Senators, the Lieutenant Governor and the Secretary of the Senate to receive the sum of \$5.00 per day.

It is further recommended that the several appointments of employees heretofore made by the Lieutenant Governor and announced in the Senate and considered by the caucus are confirmed.

The salaries of the day and night elevator operators shall be \$4.00 per day each, and the salaries of the porters shall be \$2.50 per day each, except the head porter whose salary shall be \$4.00 per day and the porter carrying mail receive \$3.50 per day, and the salaries of the pages shall be \$2.50 per day and the salaries of the messengers shall be \$3.00 per day.

The Lieutenant Governor is requested to recommend that the Southwestern Telephone Company employ Miss Mary Jacobs to attend the duties of telephone operator of the Senate, and a night operator to be named by the committee of five Senators, out of the employees whose names are filed with said committee.

The Lieutenant Governor, Senators and Secretary of the Senate are hereby fully authorized and empowered to use all Assistant Sergeant-at-Arms and all other necessary employees for any and all services needed in and about the Senate.

It is further recommended that no employee of the Senate shall during the time he or she is employed, furnish to any person, firm or corporation any information pertaining to the Senate and they shall not receive any compensation from any person, firm or corporation during their employment by the Senate and any employees found guilty of violat-

ing this provision shall be immediately discharged.

All employees, except those responsible directly to some Senator or committee, shall report for duty at eight o'clock a. m. and one o'clock p. m., reporting to the Sergeant-at-Arms of the Senate, and none of such employees shall be paid for days they are absent from the Senate.

It is further recommended that no person be employed by the Senate or under its direction, except private secretaries, who may be related within the second degree by affinity or within the third degree by consanguinity to any member of the Legislature or to any other person employed by or holding office under either the State of Texas, or the United States of America or political subdivision of this State, or by any public supported institution. (See Art. 432, Penal Code.)

It is further recommended that the Lieutenant Governor, each Senator and the Secretary of Senate, be allowed the stationery and postage needed by them respectively, and expenses incurred in transmitting and receiving telephone and telegraph messages and express charges, such as may be actually necessary in the discharge of their official duties, said expenses to be paid out of the contingent fund.

It is further recommended that 2600 Journals be printed; the same be prorated among the Senators and Lieutenant Governor, except that 150 Journals shall be furnished the Members of the House.

It is further recommended that the Sergeant-at-Arms rent such typewriters as may be necessary for the use of the employees of the Senate, the contract to be approved by the committee of five.

It is further recommended that the Secretary of the Senate be paid for his services rendered in advance of and in preparation for the convening of this, the Fourth Called Session of the Forty-third Legislature; and that the Sergeant-at-Arms be allowed pay for each day of service from the date he ceased drawing compensation from his other employment; and extra employees and the porters who were selected to prepare the Senate Chamber in advance of the meeting, be allowed pay for their services, the per diem allowed each of the employees mentioned in this section be the same as fixed herein.

It is further recommended that the Senate request the State Com-

troller of Public Accounts to issue general revenue warrants for the pay of the members and employees of the Senate upon presentation of the payroll account signed by the presiding officer and the Secretary of the Senate.

The chairman of the caucus named the following members of the Senate as the committee of five, as hereinabove mentioned:

Senators Redditt, Pace, Cousins, Woodward, and Regan.

The committee of five hereinabove named shall have authority to employ P. B. X. operators at a per diem not to exceed \$5.00 per day.

It is further recommended that each Senator, the Lieutenant Governor and the Secretary of the Senate, be permitted to subscribe for three newspapers to be paid out of the contingent fund.

It is further recommended that the President of the Senate have exclusive appointment of a sufficient number of messengers, pages and porters as in his judgment may be necessary.

It is further recommended that the Chairman of the Finance Committee shall have authority to employ two additional employees of his own selection.

It is further recommended that the Secretary of the Senate be authorized to appoint two additional secretaries, one to be designated as Notarial Clerk and the other to be assigned to the Engrossing and Enrolling Room.

It is further recommended that the private rooms allotted to the Senators by the method as adopted by the caucus be assigned to the Senators and their successors, unless otherwise directed by the Senate.

It is further recommended that each Senator, as quickly as possible, file with the Secretary of the Senate the name of his private secretary selected; that he also file with the chairman of the committee of five Senators aforesaid the name of the employees selected, together with his or her post-office address and a suggestion as to the special qualification of said employee.

It is further recommended that the names, place and residence and compensation of all employees be printed in the Journal, together with the name of the Senator responsible for the employment of his employee.

It is further recommended by the

caucus that a clerk be selected for the Fifteen Senatorial District to look after the duties of said district.

PARR, Chairman.

Election of President Pro Tempore.

The Chair announced that the time for the election of a President Pro Tem. had arrived.

Senator Woodruff nominated Senator Woodward as President Pro Tem. His nomination was seconded by the whole Senate.

The Chair appointed as tellers to count the votes: Senators Woodruff, Moore and Parr. They announced a unanimous vote for Senator Woodward. The Chair announced to the Senate that Senator Woodward was unanimously elected President Pro Tem.

The Chair appointed Senators Woodruff and Moore to escort President Pro Tem. Woodward to the platform.

Oath of Office.

The Chair administered the oath of office to Senator Woodward. The Lieutenant Governor presented President Pro Tem. Walter Woodward to the Senate and he addressed the Senate.

Officers Sworn In.

The officers and employees of the Senate were administered the oath of office by Lieutenant Governor Edgar E. Witt.

Committees Appointed.

The Chair appointed a committee of three to notify the House and a committee of three to notify the Governor that the Senate was organized and ready for business. The Chair appointed the following:

To notify the House: Senators Moore, Collie, and Duggan.

To notify the Governor: Senators Patton, Redditt, and Poage.

Committees Report.

The committee appointed to notify the House that the organization of the Senate had been completed appeared at the bar of the Senate and Senator Moore announced that the committee had performed its duty.

The committee to notify the Governor that the Senate had completed its organization appeared at the bar

of the Senate and Senator Poage announced that the committee had performed its duty.

Bills and Resolutions.

Senate Bill No. 1.

Senator Stone sent up the following bill:

By Senators Stone, S. B. No. 1.
Poage, Sanderford,
Hornsby, Holbrook,
Parr, Patton, Dug-
gan, Hopkins, and
Woodruff.

A BILL

To Be Entitled

An Act to aid the Brazos River Conservation and Reclamation District in preparing the necessary plans, specifications and data and in making the necessary surveys, and in acquiring the necessary lands, leases, easements and/or acquittances, and in building or having built and/or cooperating in the building of proper structures, reservoirs and levees suitable for the control, insofar as practicable, of the flood waters of the Brazos River watershed, declared to be a public calamity, granting and donating to said District for a period of twenty years all of the State ad valorem taxes in the following counties, which otherwise would go into the General Revenue Fund of the State of Texas, viz; Austin County, Brazoria County, Burleson County, Fort Bend County, Grimes County, Waller County, Washington County, Brazos County, Milam County, and Robertson County, said grant being contingent upon the receiving by said District of a grant and/or loan and/or advancement from the United States of America on or before January 1, 1940, of a sum reasonably sufficient to effect the performance of this Act, in no event to be less than \$30,000,000.00, and declaring certain things incidental to said purposes, providing for the segregation of said funds in the State Treasury, providing a penalty for the misapplication of the moneys thus donated, providing for the investment of available funds, providing for a system of accounting, providing that said tax diversion is based on 1934 valuation and providing that Attorney Generals shall

have right to meet with Commissioners' Courts in preparing assessments, etc. and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. That for a period of twenty years or for such portion of such period as may be required by Act of the Congress of the United States of America but not longer, and commencing with the fiscal year beginning September 1, 1935, and contingent upon a loan and/or grant and/or advance from the United States of America for sufficient size to reasonably insure the completion of the construction of such coordinated and completed system of improvement of control of the Brazos River and its tributaries thereto and water thereof as may be approved by the Board of Water Engineers of the State of Texas, such approval to be certified to the Comptroller of this State by said Board of Water Engineers, there is hereby donated and granted by the State of Texas to the Brazos River Conservation and Reclamation District, created by Act of the Legislature of the State of Texas, Chapter 13, Special Laws, Second Called Session, Forty-first Legislature, Page 22, all of the net amounts of the annual current State ad valorem taxes that may be collected from the property and from persons in the following counties which otherwise would go into the General Fund of the State of Texas, including the rolling stock belonging to railroad companies which shall be ascertained and apportioned as now provided by law, to-wit: Austin County, Brazoria County, Burleson County, Fort Bend County, Grimes County, Waller County, Washington County, Brazos County, Milam County, and Robertson County.

Provided, however, that in no event shall such amounts hereby granted ever exceed in any one county the sum that would be produced for any current year by the levy of the then current State ad valorem tax for general revenue purposes on the valuations of said county as shown by Comptroller's records for the year, 1934, and all sums collected in excess of such amounts shall continue to go into the general revenue fund of this State.

Sec. 2. It shall be the duty of the Comptroller of Public Accounts to

certify to the State Treasurer along with each remittance of State ad valorem taxes collected for General Revenue purposes within any of the counties aforementioned the amounts thereof which under the terms of this Act are granted to the Brazos River Conservation and Reclamation District, and it shall be the duty of the State Treasurer to allocate and set aside all such sums and hold same separate and distinct from all other moneys for the use and benefit of said Brazos River Conservation and Reclamation District to be used only for the purposes hereinafter described.

Sec. 3. All of the funds hereinbefore granted shall be held by the State Treasurer in a separate account in trust for the purpose of making the payments to the United States of America hereinafter provided, and no such funds shall ever be withdrawn from the treasury of this State except as hereinafter provided in this Act for the purpose of making such payments to the United States of America; and the Treasurer of this State shall never remit such funds or any part thereof to any person, firm or corporation whatsoever, save and except to the General Revenue Fund of this State or to the United States of America as such term is construed in Section 7 of this Act.

Sec. 4. The Board of Directors of the Brazos River Conservation and Reclamation District shall, on or before the first day of January of each year, cause to be made an itemized statement, under oath and in triplicate, showing the amount of money received by the said District under this Act during the next preceding fiscal year ending August 31 next preceding, and showing how, to whom, and for what purpose the same has been expended. One copy of such statement, after having been audited, shall be forwarded to and filed with the Board of Water Engineers of the State of Texas and another copy to the Comptroller of Public Accounts. The said statement shall be sworn to by the treasurer and secretary of said Brazos River Conservation and Reclamation District, and the correctness thereof shall be certified by an auditor appointed by the said Board of Water Engineers, which auditor shall, while auditing said statement have before him all vouchers upon which ex-

penditures have been made from said fund, and no item or expenditure shall be allowed or passed by said auditor unless he have in his possession legal and proper vouchers therefor, showing compliance with this Act. And upon the completion of said audit, the third copy of said report and all vouchers shall be attached together, numbered consecutively, and be by said auditor returned to and thereafter safely kept by the secretary of said Brazos River Conservation and Reclamation District as a part of the records of his office.

Sec. 5. The moneys herein and hereby granted and donated to the Brazos River Conservation and Reclamation District are declared to be trust funds for the purposes of repaying the United States of America, as such term is defined in Section 7 of this Act, such sums as said District may be obligated to repay which said sums may have been advanced and/or loaned by the United States of America for use in preparing the necessary plans, specifications and data, and/or in making the necessary surveys, and/or in acquiring the necessary lands, leases, easements and/or acquittances, and/or in the building and/or operation or having built and/or operated, and/or cooperating in the building and/or operation of proper structures, dams, reservoirs, levees, and/or other engineering projects suitable for the control, insofar as practicable, of the recurrent, devastating floods in the valley of the Brazos River, which have, over a long period of years, caused a deplorable loss of life and property, and the erosion of the soil and a depletion of the fertility of the lands in said valley and the watershed served by the Brazos River in Texas and the public highways and structures and lands belonging to the State of Texas situated within said watershed, all of which is hereby declared to be a public calamity; and/or such sums so advanced and/or loaned by the United States of America for use in and/or the advancement of any one or more of the purposes set out in Section 3 of House Bill 197 Acts of the Second Called Session of the Fortieth Legislature.

Sec. 6. It is contemplated by this Act that the said Brazos River Conservation and Reclamation District will apply for and receive the co-

operation of the United States of America in alleviating the public calamity herein declared, and that beneficial uses may be found for the flood waters impounded, which are hereby declared to be incidental to the purpose of removing said public calamity, and that revenues will be derived from such incidental benefits, all of which, together with the funds hereby donated and granted, shall be used during the time and for the purposes herein specified, to the end that such public calamities may be averted insofar as practicable. Until all moneys receivable by the United States of America for loans and/or advances made to said Brazos River Conservation and Reclamation District for the purposes herein set out, shall have been fully paid, the tax money hereby donated and granted to said District, together with the net revenues as hereinafter defined accruing to said District from any other source whatsoever, shall be used exclusively for the purpose of repaying such loans and/or advances made by the United States of America, but after all of such obligations to the United States of America have been paid in full, then all revenues accruing to said District, from all sources whatsoever, shall be used by said District; first, to pay the reasonable cost of collecting such revenues and of the operation and maintenance of the properties acquired and controlled by said District; and the balance of such revenues shall be paid annually, not later than March first of each year, to the Treasurer of the State of Texas, and by him placed in the General Fund.

The term "net revenue" as used in this Act shall be construed to mean the revenues of the District, from whatsoever source derived, remaining after the payment of all costs of collection, all costs of operation and maintenance of the properties owned and/or acquired and/or controlled by the District, and the establishment and maintenance of an adequate depreciation and emergency fund sufficient to replace all improvements, and/or properties as same become inefficient.

The use and diversion of such moneys for any other purpose whatsoever is hereby prohibited; provided, that funds on hand in the treasury of said District, not required for current payment of the obligations

of the District, and which are, within the discretion of the Board of Directors, available for investment, may be invested in bonds of the United States, and/or the State of Texas and provided further that any sinking fund in the hands of said District, available for investment in the judgment of its Board of Directors, shall be invested in such bonds above referred to. A violation of the provisions of this section shall constitute a misapplication of public money, and any person or persons so offending shall be deemed guilty of a felony and upon conviction shall be confined in the penitentiary not less than two nor more than ten years.

Sec. 7. None of the money hereby donated and granted to the said Brazos River Conservation and Reclamation District shall be made available to the said District as herein provided for unless and until said District shall have first received from the United States of America a grant and/or a loan and/or an advancement of sufficient size the amount in no event to be less than Thirty Million Dollars (\$30,000,000.00) to reasonably insure the completion of such coordinated and completed system of improvement and control of the Brazos River and its tributaries thereto and water thereof as may be approved by the Board of Water Engineers of the State of Texas, such approval to be certified to the Comptroller of this State by said Board of Water Engineers; provided, however, that a legally binding commitment from the United States of America for such grant and/or loan and/or advancement shall be construed as the receiving thereof; such grant and/or loan and/or advancement to be used for the purposes for which said District was created, and in accordance with the provisions of this Act, and the funds hereby donated and granted shall be used only to repay the principal and/or interest due the said United States of America by reason of any loan and/or advancement obtained in accordance with the provisions of this Act, and in the event no grant and/or loan and/or advancement has been received by said District, as herein contemplated, by January 1, 1940, then the grant and/or donation to said District from the State of Texas

herein provided for shall be null and void; provided, however, that in event the grant and/or loan and/or advancement from the United States of America is not received by January 1, 1940, all of such funds and moneys, together with any accrued interest thereon, shall be by the State Treasurer placed in the General Fund. If the grant and/or loan and/or advancement herein referred to shall be received by said District from any department of government set up as an agency by the United States of America, it shall be construed as having been received from the United States of America within the meaning of this Act.

Sec. 8. An opinion from the Attorney General of Texas as to whether or not a grant and/or loan and/or advancement has been received by said District from the United States of America as herein provided for, shall be authority for the action of any person charged with any duty contingent upon such grant and/or loan and/or advancement.

Sec. 9. The Brazos River Conservation and Reclamation District shall have and it is hereby granted the right and power to receive and accept grants, loans, and advancements from the United States of America for the furtherance of any one or more of the purposes set forth in the Act and/or in the Act creating said Brazos River Conservation and Reclamation District, and may contract to repay any such loans and/or advancements out of the sums hereby granted and/or donated by the State of Texas and/or out of any other revenues of the District, in such manner and/or such terms as the Directors of said District may determine and may issue such evidence of indebtedness as the Board of Directors of said District shall determine, provided, however, that in no event shall said District or the Directors thereof ever pledge or have the power to pledge the credit of this State or of the Brazos River Conservation and Reclamation District, nor to secure any payment by any tax money save and except to the extent that said tax money is granted and/or donated by the State of Texas by the terms of this Act, and no obligation shall ever be created to and no securities shall ever be issued to any person, firm or corporation other than to the United States

of America as such term is herein-before construed.

Sec. 10. If this Act should not become null under the provisions hereof, then not later than fifteen (15) days before the convening of the Commissioners' Court as Boards of Equalization in said Counties, it shall be the duty of the Commissioners' Court by an order entered upon its minutes to fix the day and hour for a hearing when it should meet as a Board of Equalization under authority of Article 7206 of the Revised Civil Statutes, 1925. Immediately after the order is entered, it shall be the duty of the County Clerk to send by registered mail a certified copy of said order to the Attorney General of the State of Texas, at Austin, Texas.

Sec. 11. When such notice has been received by the Attorney General, it shall be his duty to attend said hearing in person or by one or more assistants, if he deems it for the best interest of the State of Texas. If, in the opinion of the Attorney General, he deems it to be to the best interest of the State of Texas that he or his assistants be present at the hearing, he shall in writing notify the County Clerk of said County of his intention to be present and it shall be the duty of said County Clerk on receipt of said notice and before the day set for said hearing, immediately to notify the County Judge that the Attorney General has advised that he desires to participate in said hearing.

Sec. 12. Upon the meeting or convening of said Board of Equalization, the Attorney General, if he be present, or such of his assistants as he may have designated, shall have the right to inspect any and all renditions, assessments, assessment books or lists of assessments of the assessor of taxes under the jurisdiction of said Board of Equalization and if in the opinion of the Attorney General, or his designated assistants, the valuation of any property has not been fixed in accordance with the laws of the State of Texas, or the same is not being assessed at its fair valuation for the purpose of taxation, he shall demand that a day be set by the Board of Equalization for a hearing, at which hearing the fair and correct value at which said property should be rendered or assessed shall be fixed and

determined; the date of said hearing shall be not more than forty-five (45) days from the date upon which said hearing is demanded.

Sec. 13. The owner or owners of any property, the value of which is to be determined in accordance with the terms of this Act, shall be duly notified of such hearing in the time now provided by law for hearings before Boards of Equalization, and upon said hearing, the Attorney General or his assistants shall have the right, and it is made their duty to subpoena all witnesses and introduce all pertinent evidence touching the valuation of said properties and demand and receive access to any and all books and records of said property owners, which may be deemed necessary in order to establish the true value of the property. The owner or owners of said property shall have all rights herein granted to the Attorney General, and assistants, and in addition thereto shall have all rights now granted to them under existing laws.

Sec. 14. The State of Texas or the owner or owners of said property shall have the right to appeal from any order of the Board of Equalization fixing the value of any property for taxation purposes; notice of appeal shall be given by the Attorney General or his assistants or by the owner or owners of said property. The appeal shall be to the District Court having jurisdiction over said county or if there be more than one District Court having jurisdiction, then any of them; and the trial shall be de novo. The only issue to be determined in said Court shall be the question of proper valuation as provided for in Chapter 7, Title 122, Revised Civil Statutes, 1925; and especially Articles 7211 and 7212 thereof.

Sec. 15. The failure, refusal or neglect of the Commissioners' Court to enter the order provided for herein and its failure, refusal or neglect to conduct a hearing upon the request of the Attorney General as herein provided or the failure, refusal or neglect of the County Clerk to send, in the manner provided herein, a certified copy of the order for said hearing to the Attorney General shall constitute official misconduct and said officer may be removed from office in the manner prescribed by law save and except

that venue in such cases shall be had in the county where the officer sought to be removed resides.

Sec. 16. That the provisions of this Act are separable and if any Section or part hereof shall be held unconstitutional or void by any court for any reason, the same shall not affect the validity of any other part or Section of this Act, and the same shall remain and be in full force and effect.

Sec. 17. The fact that a vast area of public and private lands, roads, homes, houses, and lives are periodically subjected to loss or destruction by the flood waters of the Brazos River watershed, and the fact that the United States Government is at this time making large grants and/or loans and/or advancements for the prevention of such public calamities, but that such grants and/or loans and/or advancements may cease at any time create an emergency and an imperative public necessity that the Constitutional rule requiring bills to be read on three several days be suspended, and the same is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

S. B. No. 1 was read and referred to the Committee on Mining, Irrigation and Drainage.

Senate Bill No. 2.

Senator Hornsby, sent up the following bill:

By Hornsby, Holbrook, S. B. No. 2.
Hopkins, Woodward,
Witt, Parr, Sander-
ford, Beck, Moore,
Patton, Stone, Dug-
gan, Woodruff, Poage.

A BILL

To Be Entitled

An Act creating a conservation and reclamation district to be known as Lower Colorado River Authority, pursuant to and for the purposes set forth in Section 59 of Article 16 of the Constitution of the State of Texas, and to be a governmental agency, body politic and corporate, without power to mortgage or encumber any of its property or to alienate any property necessary to its business, or to levy taxes or assessments or to create any indebtedness payable out of taxes or assessments, or to pledge the credit of the State;

fixing the boundaries thereof; conferring thereon all powers, rights, privileges and functions conferred by general law upon districts created pursuant to said Section 59, except as expressly limited; conferring certain other powers thereon including the power to control, store, preserve, use, distribute and sell the waters of the Colorado River and its tributaries, to develop, generate, distribute and sell water power and electric energy, to acquire property by condemnation or otherwise, to construct, maintain, use and operate facilities, to make contracts, to borrow money, to create and issue its negotiable bonds for cash, property or refunding purposes on stated terms and conditions, and in connection therewith to pledge all or any part of its revenues; vesting the powers of the District in a board of directors and prescribing the manner for their appointment and their duties; providing for the appointment of officers, agents and employees; providing for the fiscal management of the District; preserving existing water rights, to the extent provided; prescribing all necessary details; making an appropriation of Ten Thousand Dollars (\$10,000) to the District; providing that if any provision of this Act shall be held to be invalid, the validity of the other provisions thereof shall not be affected; and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. There is hereby created within the State of Texas, in addition to the districts into which the State has heretofore been divided, a conservation and reclamation district to be known as "Lower Colorado River Authority" (hereinafter called the District) and consisting of that part of the State of Texas which is included within the boundaries of the counties of Blanco, Burnet, Llano, Travis, Bastrop, Fayette, Colorado, Wharton, San Saba and Matagorda. Such District shall be and is hereby declared to be a governmental agency and body politic and corporate, with the powers of government and with the authority to exercise the rights, privileges and functions hereinafter specified, and the creation of such District is hereby determined to be essential to the accomplishment of

the purposes of Section 59 of Article 16 of the Constitution of the State of Texas, including (to the extent hereinafter authorized) the control, storing, preservation and distribution of the waters of the Colorado River and its tributaries for irrigation, power and other useful purposes, the reclamation and irrigation of arid, semi-arid and other lands needing irrigation, and the conservation and development of the forests, water and hydro-electric power of the State of Texas. Nothing in this Act or in any other Act or law contained, however, shall be construed as authorizing the District to levy or collect taxes or assessments, or to create any indebtedness payable out of taxes or assessments, or in any way to pledge the credit of the State.

Sec. 2. Except as expressly limited by this Act, the District shall have and is hereby authorized to exercise all powers, rights, privileges and functions conferred by general law upon any district or districts created pursuant to Section 59 of Article 16 of the Constitution of the State of Texas. Without limitation of the generality of the foregoing, the District shall have and is hereby authorized to exercise the following powers, rights, privileges and functions:

(a) to control, store and preserve, within the boundaries of the District, the waters of the Colorado River and its tributaries for any useful purpose, and to use, distribute and sell the same, within or without the boundaries of the District, for any such purpose.

(b) to develop and generate water power and electric energy within the boundaries of the District and to distribute and sell water power and electric energy, within or without the boundaries of the District.

(c) to prevent or aid in the prevention of damage to person or property from the waters of the Colorado River and its tributaries;

(d) to forest and reforest and to aid in the foresting and reforesting of the watershed area of the Colorado River and its tributaries and to prevent and to aid in the prevention of soil erosion and floods within said watershed area;

(e) to acquire by purchase, lease gift or in any other manner (otherwise than by condemnation) and to maintain, use and operate any and

all property of any kind, real, personal or mixed, or any interest therein, within or without the boundaries of the District, necessary or convenient to the exercise of the powers, rights, privileges and functions conferred upon it by this Act;

(f) to acquire by condemnation any and all property of any kind, real, personal or mixed, or any interest therein, within or without the boundaries of the District (other than such property or any interest therein without the boundaries of the District as may at the time be owned by any body politic) necessary or convenient to the exercise of the powers, rights, privileges and functions conferred upon it by this Act, in the manner provided by general law with respect to condemnation or, at the option of the District, in the manner provided by the statutes relative to condemnation by districts organized under general law pursuant to Section 59 of Article 16 of the Constitution of the State of Texas;

(g) subject to the provisions of this Act, from time to time sell or otherwise dispose of any property of any kind, real, personal or mixed, or any interest therein, which shall not be necessary to the carrying on of the business of the District;

(h) to overflow and inundate any public lands and public property and to require the relocation of roads and highways in the manner and to the extent permitted to districts organized under general law pursuant to Section 59 of Article 16 of the Constitution of the State of Texas;

(i) to construct, extend, improve, maintain and reconstruct, to cause to be constructed, extended, improved, maintained and reconstructed, and to use and operate, any and all facilities of any kind necessary or convenient to the exercise of such powers, rights, privileges and functions;

(j) to sue and be sued in its corporate name;

(k) to adopt, use and alter a corporate seal;

(l) to make by-laws for the management and regulation of its affairs;

(m) to appoint officers, agents and employees, to prescribe their duties and to fix their compensation;

(n) to make contracts and to execute instruments necessary or convenient to the exercise of the powers, rights, privileges and functions conferred upon it by this Act;

(o) to borrow money for its corporate purposes and, without limitation of the generality of the foregoing, to borrow money and accept grants from the United States of America, or from any corporation or agency created or designated by the United States of America, and, in connection with any such loan or grant, to enter into such agreements as the United States of America or such corporation or agency may require; and to make and issue its negotiable bonds for moneys borrowed, in the manner and to the extent provided in Section 10. Nothing in this Act shall authorize the issuance of any bonds, notes or other evidences of indebtedness of the District, except as specifically provided in this Act, and no issuance of bonds, notes or other evidences of indebtedness of the District, except as specifically provided in this Act, shall ever be authorized except by an Act of the Legislature;

(p) to do any and all other acts or things necessary or convenient to the exercise of the powers, rights, privileges or functions conferred upon it by this Act or any other Act or law;

Provided, however, that said District shall not be permitted to use for irrigation purposes any water under any law or permits heretofore issued or now held, owned or enjoyed by said District or which may be hereafter acquired from the Colorado River Corporation or any other company or person whomsoever unless expressly authorized by subsequent permits granted to the District by the Board of Water Engineers under authority of law; and said Board of Water Engineers in considering subsequent applications by said District shall at all times consider the needs of the people living within and on the lands lying within the watershed of the Colorado River and its tributaries above what is known as the Buchanan or Hamilton Dam in Burnet County, Texas; provided, however, that nothing herein shall prevent the District from selling, for irrigation purposes within the boundaries of the District, any water impounded by it under authority of law.

Provided, further that in creating and conferring the benefits of this Act on said District, it is declared as an essential part thereof that irrespective of any existing right or

rights or permit or permits issued by the Board of Water Engineers of the State of Texas to use the waters of the Colorado River and its tributaries for the generation of hydro-electric power to said District, and which rights or permits may be acquired by the District, the impounding and use of the flood waters of the Colorado River and/or its tributaries for the generation of hydro-electric power by the District and/or any one who may succeed to the rights and privileges conferred upon it by this Act, shall be subject to the rights of any other person, municipal corporation or body politic heretofore impounding or now putting to beneficial use any such waters for the purposes, set forth in subdivisions (1), (2) and (3) of Article 7471 of the Revised Civil Statutes of the State of Texas as amended by Chapter 128 of the Acts of the Forty-second Legislature of the State of Texas, when such other person, municipal corporation or body politic has heretofore received a permit for such use or uses from the Board of Water Engineers of the State of Texas, or who by law has heretofore been permitted to impound water for the aforesaid purposes, and nothing in this Act shall ever be construed as to require any such municipal corporation or body politic to surrender any such rights to which it may now be entitled to the District and shall not be construed so as to subject to condemnation by said District or any successor or by any one who may succeed to the rights and privileges conferred upon it by this Act any waters heretofore impounded or to be impounded within or without the District under any law authorizing water to be impounded or under any permits heretofore granted or hereafter granted to a municipal corporation or body politic or any waters heretofore impounded or permitted to be impounded or used without the District under permits heretofore or hereafter granted to any person.

Nothing in this Act shall be construed as depriving any person or municipality of the right to impound the natural flow of the waters of the Colorado River and/or its tributaries for domestic and/or municipal purposes, nor of repealing any law granting such rights to persons and municipalities.

Sec. 3. The powers, rights, priv-

ileges and functions of the District shall be exercised by a board of nine directors (herein called the board), all of whom shall be residents of and freehold property taxpayers in the State of Texas; provided that not more than two of such directors shall be residents of the same county. Three of the directors shall be appointed by the Governor, three by the Attorney General and three by the Commissioner of the General Land Office of the State of Texas. Provided that no person shall be eligible for such appointment if he has, during the preceding three years before his appointment been employed by an electric power and light company, gas company, telephone company, or any other utility company of any kind or character whatsoever. Of the three directors first appointed by each authority, one shall be appointed for a term expiring January 1, 1937, one for a term expiring January 1, 1939, and one for a term expiring January 1, 1941. At the expiration of the term of any director, another director shall be appointed by the same authority which appointed the director whose term has expired. Each Director shall hold office until the expiration of the term for which he was appointed and thereafter until his successor shall have been appointed and qualified, unless sooner removed as in this Act provided. Any director may be removed by the authority which appointed him for inefficiency, neglect of duty or misconduct in office, after at least ten days' written notice of the charges against him and an opportunity to be heard in person or by counsel at public hearing. A vacancy resulting from the death, resignation or removal of any director shall be filled by the authority which appointed him, for the unexpired term of such director. Each director shall qualify by taking the official oath of office prescribed by general statute.

Each director shall receive a fee of Ten Dollars (\$10.00) per day for each day spent in attending meetings of the Board.

Until the adoption of by-laws fixing the time and place of regular meetings and the manner in which special meetings may be called, meetings of the Board shall be held at such times and places as five of the directors may designate in writing. Five directors shall constitute a

quorum at any meeting and, except as otherwise provided in this Act or in the By-laws, all action may be taken by the affirmative vote of a majority of the directors present at any such meeting, except that no contract which involves an amount greater than Ten Thousand Dollars (\$10,000.00) or which is to run for a longer period than a year, and no bonds, notes or other evidence of indebtedness and no amendment of the By-laws shall be valid unless authorized or ratified by the affirmative vote of at least five directors.

Sec. 4. The Board shall select a Secretary who shall keep true and complete records of all proceedings of the Board. Until the appointment of a Secretary, or in the event of his absence or inability to act, a secretary pro tem shall be selected by the Board. The Board shall also select a General Manager, who shall be the chief executive officer of the District, and a Treasurer, who may also hold the office of Secretary. All such officers shall have such powers and duties, shall hold office for such term and be subject to removal in such manner as may be provided in the By-Laws. The Board shall fix the compensation of such officers. The Board may appoint such officers, agents and employees, fix their compensation and term of office and the method by which they may be removed, and delegate to them such of its powers and duties as it may deem proper.

Sec. 5. The moneys of the District shall be disbursed only on checks, drafts, orders or other instruments signed by such persons as shall be authorized to sign the same by the By-laws or resolution concurred in by not less than five directors. The General Manager, the Treasurer and all other officers, agents and employees of the District who shall be charged with the collection, custody or payment of any funds of the District shall give bond conditioned on the faithful performance and their duties and property of the District coming into their respective hands, each of which bonds shall be in form and amount and with a surety (which shall be a surety company authorized to do business in the State of Texas) approved by the Board, and the premiums on such bonds shall be paid by the District and charged as an operating expense.

Sec. 6. The domicile of the District shall be in the City of Austin, County of Travis, where the District shall maintain its principal office, in charge of its General Manager. The District shall cause to be kept complete and accurate accounts conforming to approved methods of bookkeeping. Said accounts and all contracts, documents and records of the District shall be kept at said principal office. Said accounts and contracts shall be open to public inspection at all reasonable times. The Board shall cause to be made and completed within ninety day after the end of each calendar year, an audit of the books of account and financial records of the District for such calendar year such audit to be made by an independent Certified Public Accountant or firm of Certified Public Accountants. Copies of a written report of such audit, certified to by said accountant or accountants, shall be placed and kept on file with the Board of Water Engineers, with the Treasurer of the State of Texas and at said principal office, and shall be open to public inspection at all reasonable times.

Sec. 7. No director, officer, agent or employee of the District shall be directly or indirectly interested in any contract for the purchase of any property or construction of any work by or for the District, and if any such person shall be or become so interested in any such contract, he shall be guilty of a felony and on conviction thereof shall be subject to a fine in an amount not exceeding Ten Thousand Dollars (\$10,000) or to confinement in the county jail for not less than one year nor more than ten years, or both.

Sec. 8. The Board shall establish and collect rates and other charges for the sale or use of water, water connections, power, electric energy or other services sold, furnished, or supplied by the District which fees and charges shall be reasonable and nondiscriminatory and sufficient to produce revenues adequate:

(a) to pay all expenses necessary to the operation and maintenance of the properties and facilities of the District;

(b) to pay the interest on and principal of all bonds issued under this Act when and as the same shall become due and payable;

(c) to pay all sinking fund and/or reserve fund payments agreed to be made in respect of any such bonds, and payable out of such revenues, when and as the same shall become due and payable; and

(d) to fulfill the terms of any agreements made with the holders of such bonds and/or with any person in their behalf.

Out of the revenues which may be received in excess of those required for the purposes specified in subparagraphs (a), (b), (c) and (d) above, the Board may in its discretion establish a reasonable depreciation and emergency fund, or retire (by purchase and cancellation or redemption) bonds issued under this Act, or apply the same to any corporate purpose.

It is the intention of this Act that the rates and charges of the District shall not be in excess of what may be necessary to fulfill the obligations imposed upon it by this Act. Nothing herein shall be construed as depriving the State of Texas of its power to regulate and control fees and/or charges to be collected for the use of water, water connections, power, electric energy, or other service, provided that the State of Texas does hereby pledge to and agree with the purchasers and successive holders of the bonds issued hereunder that the State will not limit or alter the power hereby vested in the District to establish and collect such fees and charges as will produce revenues sufficient to pay the items specified in subparagraphs (a), (b), (c) and (d) of this Section 8, or in any way to impair the rights or remedies of the holders of the bonds, or of any person in their behalf, until the bonds, together with the interest thereon, with interest on unpaid installments of interest and all costs and expense in connection with any action or proceedings by or on behalf of the bondholders and all other obligations of the District in connection with such bonds are fully met and discharged.

Sec. 9. Any and every indebtedness, liability or obligation of the District, for the payment of money, however entered into or incurred, and whether arising from contract, implied contract or otherwise shall be payable solely (1) out of the revenues received by the District in respect of its properties, subject to

any prior lien thereon conferred by any resolution or resolutions heretofore adopted as in this Act provided, authorizing the issuance of bonds or (2), if the Board shall so determine, out of the proceeds of sale by the District of bonds payable solely from such revenues.

Sec. 10. The District shall have power and is hereby authorized to issue, from time to time, bonds as herein authorized for any corporate purpose, not to exceed Ten Million Dollars (\$10,000,000) in aggregate principal amount. Any additional amount of bonds must be authorized by an act of the Legislature. Such bonds may either be (1) sold for cash, at public or private sale, at such price or prices as the Board shall determine, provided that the interest cost of the money received therefor, computed to maturity in accordance with standard bond tables in general use by banks and insurance companies, shall not exceed six per centum per annum, or (2) may be issued on such terms as the Board shall determine in exchange for property of any kind, real, personal or mixed or any interest therein which the Board shall deem necessary or convenient for any such corporate purpose, or (3) may be issued in exchange for like principal amounts of other obligations of the District, matured or unmatured. The proceeds of sale of such bonds shall be deposited in such bank or banks or trust company or trust companies, and shall be paid out pursuant to such terms and conditions, as may be agreed upon between the District and the purchasers of such bonds. No part of the Four Million Five Hundred Thousand Dollars (\$4,500,000.00) which has been allotted by the Federal Emergency Administration of Public Works to the Colorado River Project which may be received by the District shall be applied to the purchase of any of the properties heretofore owned by Central Texas Hydro Electric Company except such amount as shall equal the sum actually expended by the sellers of such properties in discharging statutory contractors and materialmens' liens on such of said properties as shall be purchased by the District. No contract for the purchase and no purchase by the District of any of the properties heretofore owned by Cen-

tral Texas Hydro Electric Company shall be valid unless the terms thereof shall be satisfactory to the Federal Emergency Administrator of Public Works. All such bonds shall be authorized by resolution or resolutions of the Board concurred in by at least five of the members thereof, and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates (not exceeding six per centum per annum) payable annually or semi-annually, be in such denominations, be in such form, either coupon or registered, carry such registration privileges as to principal only or as to both principal and interest, and as to exchange of coupon bonds for registered bonds or vice versa, and exchange of bonds of one denomination for bonds of other denominations, be executed in such manner and be payable at such place or places within or without the State of Texas, as such resolution or resolutions may provide. Any resolution or resolutions authorizing any bonds may contain provisions, which shall be part of the contract between the District and the holders thereof from time to time (a) reserving the right to redeem such bonds at such time or times, in such amounts and at such prices, not exceeding one hundred and five per centum of the principal amount thereof, plus accrued interest, as may be provided, (b) providing for the setting aside of sinking funds or reserve funds and the regulation and disposition thereof, (c) pledging to secure the payment of the principal of and interest on such bonds and of the sinking fund or reserve fund payments agreed to be made in respect of such bonds all or any part of the gross or net revenues thereafter received by the District in respect of the property, real, personal or mixed, to be acquired and/or constructed with such bonds or the proceeds thereof, or all or any part of the gross or net revenues thereafter received by the District from whatever source derived, (d) prescribing the purpose to which such bonds or any bonds thereafter to be issued, or the proceeds thereof, may be applied, (e) agreeing to fix and collect rates and charges sufficient to produce revenues adequate to pay the items specified in subdivisions (a), (b), (c) and (d) of Section 8 hereof, and prescribing the use and disposition

of all revenues, (f) prescribing limitations upon the issuance of additional bonds and upon the agreements which may be made with the purchasers and successive holders thereof, (g) with regard to the construction, extension, improvement, reconstruction, operation, maintenance and repair of the properties of the District and carrying of insurance upon all or any part of said properties covering loss or damage or loss of use and occupancy resulting from specified risks, (h) fixing the procedure, if any, by which, if the District shall so desire, the terms of any contract with the holders of such bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given, (i) for the execution and delivery by the District to a bank or trust company authorized by law to accept trusts, or to the United States of America or any officer or agency thereof, of indentures and agreements for the benefit of the holders of such bonds setting forth any or all of the agreements herein authorized to be made with or for the benefit of the holders of such bonds and such other provisions as may be customary in such indentures or agreements; and (j) such other provisions, not inconsistent with the provisions of the Act, as the Board may approve.

Any such resolution and any indenture or agreement entered into pursuant thereto may provide that in the event that

(a) default shall be made in the payment of the interest on any or all bonds when and as the same shall become due and payable, or

(b) default shall be made in the payment of the principal of any or all bonds when and as the same shall become due and payable, whether at the maturity thereof, by call for redemption or otherwise, or

(c) default shall be made in the performance of any agreement made with the purchasers or successive holders of any bonds, and such default shall have continued such period, if any, as may be prescribed by said resolution in respect thereof, the trustee under the indenture or indentures entered into in respect of the bonds authorized thereby, or, if there shall be no such indenture, a trustee appointed in the

manner provided in such resolution or resolutions by the holders of twenty-five per centum in aggregate principal amount of the bonds authorized thereby and at the time outstanding may, and upon the written request of the holders of twenty-five per centum in aggregate principal amount of the bonds authorized by such resolution or resolutions at the time outstanding, shall, in his or its own name, but for the equal and proportionate benefit of the holders of all of such bonds; and with or without having possession thereof;

(1) by mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the holders of such bonds,

(2) bring suit upon such bonds and/or the appurtenant coupons,

(3) by action or suit in equity, require the district to account as if it were the trustee of an express trust for the bondholders,

(4) by action or suit in equity, enjoin any acts or things which may be unlawful or inviolation of the rights of the holders of such bonds, and/or,

(5) after such notice to the district as such resolution may provide, declare the principal of all of such bonds due and payable, and if all defaults shall have been made good, then with the written consent of the holders of twenty-five per centum in aggregate principal amount of such bonds at the time outstanding, annul such declaration and its consequences; provided, however, that the holders of more than a majority in principal amount of the bonds authorized thereby and at the time outstanding shall by instrument or instruments in writing delivered to such trustee have the right to direct and control any and all action taken or to be taken by such trustee under this paragraph. Any such resolution, indenture or agreement may provide that in any such suit, action or proceeding, any such trustee, whether or not all of such bonds shall have been declared due and payable, and with or without possession of any thereof, shall be entitled as of right to the appointment of a receiver who may enter and take possession of all or any part of the properties of the District and operate and maintain the same, and fix, collect and receive rates and charges sufficient to provide revenues ade-

quate to pay the items set forth in subparagraphs (a), (b), (c), and (d) of Section 8 hereof and the costs and disbursements of such suit, action or proceeding, and to apply such revenues in conformity with the provisions of this Act and the resolution or resolutions authorizing such bonds. In any suit, action or proceeding by any such trustee, the reasonable fees, counsel fees and expenses of such trustee and of the receiver or receivers, if any, shall constitute taxable disbursements and all costs and disbursements allowed by the court shall be a first charge upon any revenues pledged to secure the payment of such bonds. Subject to the provisions of the Constitution of the State of Texas, the courts of the County of Travis shall have jurisdiction of any such suit, action or proceeding by any such trustee on behalf of the bondholders and of all property involved therein. In addition to the powers herein above specifically provided for, each such trustee shall have and possess all powers necessary or appropriate for the exercise of any thereof, or incident to the general representation of the bondholders in the enforcement of their rights.

Before any bonds shall be issued by the District, a certified copy of the proceedings for the issuance thereof, including the form of such bonds, together with any other information which the Attorney General of the State of Texas may require, shall be submitted to the Attorney General, and if he shall find that such proceedings are in accordance with law, he shall execute a certificate to that effect which shall be filed in the office of the Comptroller of the State of Texas and be recorded in a record kept for that purpose. No bonds shall be issued until the same shall have been registered by the Comptroller, who shall so register the same if the Attorney General shall have filed with the Comptroller his certificate approving the proceedings for the issuance thereof as hereinabove provided.

All bonds authorized by proceedings approved by the Attorney General as aforesaid, and registered by the Comptroller as aforesaid, and issued in accordance with the proceedings so approved shall be valid and binding obligations of the District and shall be incontestable for

any cause from and after the time of such registration.

Sec. 11. All bonds issued by the District pursuant to the provisions of this Act shall constitute negotiable instruments within the meaning of the Negotiable Instruments Law.

Sec. 12. The District may (but without intending by this provision to limit any powers of the District) enter into and carry out such contracts, or establish or comply with such rules and regulations concerning labor and materials and other related matters in connection with any project or projects as the District may deem desirable or as may be requested by the United States of America, or any corporation or agency created, designated or established thereby, which may assist in the financing of any such project or projects.

Sec. 13. The District shall have power out of any funds available therefor to purchase any bonds issued by it at a price not exceeding the redemption price applicable at the time of such purchase, or if such bonds shall not be redeemable, at a price not exceeding the principal amount thereof plus accrued interest. All bonds so purchased shall be cancelled and no bonds shall ever be issued in lieu thereof.

Sec. 14. Nothing in this Act shall be construed as authorizing the District and it shall not be authorized to mortgage or otherwise encumber any of its property of any kind, real, personal or mixed, or any interest therein, or to acquire any such property or interest subject to a mortgage or conditional sale, provided that this section shall not be construed as preventing the pledging of the revenues of the District as herein authorized. Nothing in this Act shall be construed as authorizing the sale, lease or other disposition of any such property or interest by the District or any receiver of any of its properties or through any court proceeding or otherwise, provided, however, that the District may sell for cash any such property or interest in an aggregate value not exceeding the sum of Fifty Thousand Dollars (\$50,000.00) in any one year if the Board, by the affirmative vote of six of the members thereof shall have determined that the same is not necessary or convenient to the business of the District and shall

have approved the terms of any such sale, it being the intention of this Act that except by sale as in this section expressly authorized, no such property or interest shall ever come into the ownership or control, directly or indirectly, of any person, firm or corporation other than a public authority created under the laws of the State of Texas. Nothing in this Act contained shall authorize the sale of any of the property of the District under any judgment rendered in any suit, and this Act hereby specifically prohibits the sale of any of the property of the District under any judgment rendered in any suit, and this Act hereby specifically prohibits the sale of any of the property of the District under any judgment rendered in any suit against said District.

Sec. 15. The District shall not prevent free public access to the waters impounded by any dam built by it for the purpose of fishing, swimming and boating thereon, except to the extent that the exercise of such right would in the opinion of the Board interfere with the proper conduct of its business.

Sec. 16. All bonds and the interest thereon issued pursuant to the provisions of this Act shall be exempt from taxation (except inheritance taxes) by the State of Texas or by any municipal corporation, county or other political subdivision or taxing district of the State.

Sec. 17. This Act, without reference to other statutes of the State of Texas, shall constitute full authority for the authorization and issuance of bonds hereunder and no other act or law with regard to the authorization or issuance of obligations thereof, or in any way impeding or restricting the carrying out of the acts herein authorized to be done shall be construed as applying to any proceedings taken hereunder or acts done pursuant hereto.

Sec. 18. This Act and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

Sec. 19. There is hereby appropriated for the use of the District out of any funds in the State Treasury not heretofore otherwise appropriated the sum of Ten Thousand Dollars (\$10,000), which may be

withdrawn from time to time on warrant signed by the General Manager and Treasurer of the District, amounts withdrawn to be repaid into the State Treasury out of the first revenues of the District from whatever source derived.

Sec. 20. If any provision of this Act or the application thereof to any person or circumstance shall be held to be invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Sec. 21. This Act may be cited as the Lower Colorado River Authority Act.

Sec. 22. The importance of this legislation to the section of the State affected thereby and the fact that the District must act promptly if it is to avail itself of the opportunity of borrowing or receiving a grant from the Federal Emergency Administration of Public Works creates an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days be and the same is hereby suspended and that this Act shall take effect and be in force from and after its passage, and it is so enacted.

S. B. No. 2 was read and referred to the Committee on Mining, Irrigation and Drainage.

Appointment of Chairman.

The Chair appointed Senator DeBerry as temporary Chairman of the Committee on Mining, Irrigation and Drainage, because of the absence of the chairman and vice-chairman of said committee.

Advance Printing.

Senator Woodward moved that S. B. No. 2 have advanced printing in the Journal.

The motion prevailed.

Senator Stone asked advance printing in Journal of S. B. No. 1.

Senate Bill No. 3.

Senator Hornsby sent up the following bill:

By Senator Hornsby:

S. B. No. 3, A bill to be entitled "An Act to amend Article 7336, Revised Civil Statutes of 1925, as amended by Chapter 117, Acts Forty-second Legislature, providing the time when ad valorem and poll taxes

shall become due and when they shall become delinquent; providing penalty for non-payment of said taxes and for interest thereon; providing that current ad valorem taxes hereafter paid in full in October or November next succeeding the return of the assessment rolls of the county to the Comptroller of Public Accounts shall be discounted two per cent and that current ad valorem taxes hereafter paid in December of the year next succeeding the return of the assessment rolls of the county to the Comptroller of Public Accounts shall be discounted one per cent; providing for payment of one-half of current ad valorem taxes on or before November 30th and one-half of same on or before June 30th, both said dates of the year next succeeding the return of the assessment rolls of the county to the Comptroller of Public Accounts, and providing penalty for failure or refusal to pay last one-half; providing for graduated penalty on all current taxes not paid on February 1st, 1935, and on current taxes not paid on February 1st of each year thereafter; and providing for the releasing the interest and penalties on all delinquent ad valorem and poll taxes that were delinquent on or before July 1, 1934 due the State, any county, common school district, road district, levee improvement district, water improvement district and water control and improvement district, irrigation district and other defined subdivisions of the State provided same are paid on or before February 28, 1935 with the addition of (1%) one per cent penalty on said taxes; provided said taxes are paid after February 28, 1935 and on or before March 31, 1935 with an addition of two (2%) per cent penalty on said taxes; and provided said taxes are paid after March 31, 1935, and on or before April 30, 1935, with an addition of four (4%) per cent penalty on said taxes; and provided that said taxes are paid after April 30, 1935, and on or before May 31, 1935, with an addition of six (6%) per cent penalty on said taxes; and provided that said taxes are paid after May 31, 1935, and on or before June 30, 1935, with an addition of eight (8%) per cent penalty on said taxes; and providing further that this Act releasing penalties and interest shall not apply

to cities, towns, and villages, and special school districts, and independent school districts unless and until the governing body thereof finds that unusual or excessive default in the payment of ad valorem and poll taxes has occurred, and that an extension of time for the payment of said ad valorem and poll taxes will accelerate the payment thereof; and such governing body has adopted a resolution, or ordinance, evidencing such finding, and upon the recording of such findings of fact, shall have the authority to put in force and effect the provisions hereof as to any such city, town, or village, or special school district or independent school district; providing methods of assessing, collecting and distributing penalties and interest; providing form and time delinquent report shall be made by tax collector; providing that the Comptroller of Public Accounts shall prescribe forms for tax rolls to be used by the county tax assessors and collectors of taxes; providing that all laws in conflict with this Act are repealed; and declaring an emergency."

Read and referred to the Committee on State Affairs.

Point of Order.

Senator Woodward raised a point of order that there was nothing before the Senate.

The Chair sustained the point of order.

Adjournment.

Senator Moore at 12:50 o'clock p. m., moved that the Senate adjourn until 10 o'clock a. m., Monday morning.

SECOND DAY.

Senate Chamber,
Austin, Texas,
October 15, 1934.

The Senate met at 10 o'clock a. m., pursuant to adjournment, and was called to order by Lieutenant Governor Edgar E. Witt.

The roll disclosed a quorum, the following Senators being present:

Beck.	DeBerry.
Blackert.	Duggan.
Collie.	Holbrook.
Cousins.	Hopkins.